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File

McWATTERS GOLD MINES, LIMITED

ANNUAL REPORT

YEAR ENDED DECEMBER 31, 1968

McWATTERS GOLD MINES, LIMITED

| | | |
|---------------------------------|------------------------------------|--------------------------------------|
| OFFICERS | G. D. PATTISON - - - - - | <i>President</i> |
| | S. A. PERRY - - - - - | <i>Vice-President</i> |
| | R. D. BELL - - - - - | <i>Secretary-Treasurer</i> |
| | J. P. BRISBOIS - - - - - | <i>Assistant Secretary-Treasurer</i> |
| DIRECTORS | ROY BARKER - - - - - | Geraldton, Ontario |
| | R. D. BELL - - - - - | Toronto, Ontario |
| | G. D. PATTISON - - - - - | Aurora, Ontario |
| | S. A. PERRY - - - - - | Toronto, Ontario |
| | W. W. WEBER - - - - - | Toronto, Ontario |
| TRANSFER AGENT AND REGISTRAR | EASTERN & CHARTERED TRUST COMPANY | Toronto, Ontario |
| AUDITORS | RIDDELL, STEAD, GRAHAM & HUTCHISON | Toronto, Ontario |
| HEAD OFFICE | SUITE 509, 25 ADELAIDE STREET WEST | Toronto, Ontario |

McWATTERS GOLD MINES, LIMITED

Suite 509, 25 Adelaide Street West
Toronto 1, Ontario

Directors' Report

To the Shareholders:

Submitted with this report are the financial statements of your Company for the year ended December 31, 1968 with Auditors' Report dated March 13, 1969.

During the year 1968 general prospecting and exploration activities were continued and in this regard several property examinations were made. The Company's exploration activities were extended into the Republic of Ireland through Con-Mog Explorations Limited and Irish Metal Mining Company Limited, companies incorporated in Ireland in which your Company holds a $\frac{1}{6}$ and a $\frac{1}{5}$ participating interest respectively.

Con-Mog Explorations Limited holds prospecting licenses in the Counties of Tipperary and Limerick covering about 88 square miles of land. The exploration program conducted in 1968 and still in progress includes surface prospecting, geological mapping and geochemical investigation. Further work will depend on the results obtained in this initial program.

Irish Metal Mining Company Limited holds prospecting licenses in the Counties of Cork and Kerry which, including certain lands in County Cork held under option, cover about 103 square miles of land. The exploration program conducted in 1968 included surface prospecting, geological mapping, geochemical investigation and examination of several old mine areas. The program for the current year is detailed investigation of anomalous areas to define possible drill targets. Some of the detail samples tested so far have disclosed interesting copper values.

No additional work was performed during 1968 on the group of 54 mining claims in Langmuir Township, Porcupine Mining Division, Ontario, in which your Company owns an 82½% interest. Survey work required to bring these claims to lease is proceeding under a contract entered into with an Ontario Land Surveyor. Previous surface diamond drilling on these claims after allowing for 15% dilution at 0.25% nickel has indicated a nickel-bearing deposit estimated as follows:

| | Tons | Nickel % |
|------------------|----------------|-------------|
| Lower zone | 165,790 | 1.92 |
| Upper zone | 477,770 | 0.77 |
| | <u>643,560</u> | <u>1.07</u> |

Subsequent to the year end the Company entered into an agreement with Paramaque Mines Limited whereunder the Company undertook to drill 5,000 feet of diamond drilling or expend at least \$35,000.00 in diamond drilling on the group of 10 claims held under lease by Paramaque in Eldorado Township, adjacent to the west of the Company's claims in Langmuir Township. By performing this work the Company will earn an undivided 70% interest in the claims.

The Company has also recently entered into an option agreement with Terrex Mining Company Limited to acquire an undivided 90% interest in a group of 16 unpatented mining claims in Eldorado Township adjacent to the south of the Paramaque group and adjacent to the west of the Company's claims in Langmuir Township.

Exploration work is in progress on both Eldorado Township groups.

At the year end your Company's principal investments were 75,000 shares of British Newfoundland Corporation Limited, 45,000 shares of International Mogul Mines Limited, and 50,000 shares of New Quebec Raglan Mines Limited, all of which have shown an appreciable increase in value.

The Company's sound financial condition is reflected in the accompanying financial statements.

On behalf of the Board,

Toronto, Ontario,
June 3, 1969.

G. D. PATTISON,
President.

McWATTERS GOLD

Balance Sheet - as at December 31, 1968

| ASSETS | 1968 | 1967 |
|---|-------------------|-----------------|
| CURRENT ASSETS | | |
| Cash | \$ 352,072 | 788,816 |
| Government of Canada bonds, at cost (quoted market \$37,188) | 50,000 | 50,000 |
| Due from broker | 96,480 | — |
| Accounts and advances receivable | 7,489 | 19,491 |
| | <hr/> 506,041 | <hr/> 858,307 |
| INVESTMENTS | | |
| Shares in other mining companies, at cost (quoted market 1968 — \$1,443,369, 1967 — \$716,323) | 714,415 | 688,080 |
| Shares in other mining companies, at nominal value | 4 | 4 |
| Shares in other companies, at cost (quoted market 1968 — \$459,375, 1967 — \$66,938) | 397,315 | 66,630 |
| | <hr/> 1,111,734 | <hr/> 754,714 |
| INVESTMENT IN SUBSIDIARY COMPANY (Note 1) | | |
| Shares, at cost | 49,743 | 49,743 |
| Advances | 4,131 | 3,951 |
| | <hr/> 53,874 | <hr/> 53,694 |
| PROPERTY AND RELATED EXPENDITURES, at cost | | |
| 82½% interest in 54 mining claims staked by the company in Langmuir Township, Ontario including exploration costs of \$167,312 (Note 2) | 169,081 | 156,071 |
| | <hr/> \$1,840,730 | <hr/> 1,822,786 |

AUDITOR

To the Shareholders
McWatters Gold Mines, Limited

We have examined the balance sheet of McWatters Gold Mines, Limited as at December 31, 1968 and the statements of exploration and development expenses, income and retained earnings and source and application of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

March 13, 1969.

MINES, LIMITED

December 31, 1968

| | LIABILITIES | |
|-------------------------------------|--------------------|------------------|
| CURRENT LIABILITIES | 1968 | 1967 |
| Accounts, payable and accrued | \$ 5,023 | 3,709 |
| SHAREHOLDERS' EQUITY | | |
| CAPITAL STOCK | | |
| Authorized | | |
| 5,000,000 shares of no par value | | |
| Issued and fully paid | | |
| 1,025,000 shares for property | 110,000 | 110,000 |
| 3,257,506 shares for cash | 1,567,170 | 1,567,170 |
| <u>4,282,506</u> | <u>1,677,170</u> | <u>1,677,170</u> |
| RETAINED EARNINGS | 158,537 | 141,907 |
| | 1,835,707 | 1,819,077 |
| Signed on behalf of the Board: | | |
| G. D. PATTISON, Director. | | |
| R. D. BELL, Director. | | |
| | <u>\$1,840,730</u> | <u>1,822,786</u> |

REPORT

In our opinion these financial statements present fairly the financial position of the company as at December 31, 1968 and the results of its operations and the source and application of its funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

RIDDELL, STEAD, GRAHAM & HUTCHISON

McWATTERS GOLD MINES, LIMITED

Statement of Exploration and Development Expenses For the Year Ended December 31, 1968

| | 1968 | 1967 |
|--|------------|---------|
| LANGMUIR TOWNSHIP | | |
| Balance at beginning of year | \$ 154,302 | 164,484 |
| Expenditure during the year | | |
| Restaking costs | 8,755 | — |
| Survey and line cutting | — | 2,940 |
| Consulting | 4,051 | 2,085 |
| Drilling | — | 9,710 |
| Assays | — | 33 |
| Supplies, transport, wages and general | 204 | 1,636 |
| | <hr/> | <hr/> |
| | 167,312 | 180,888 |
| Credits during the year | | |
| Recovery of prior year's expenses | — | 6,586 |
| Proceeds from sale of interest | — | 20,000 |
| | <hr/> | <hr/> |
| | — | 26,586 |
| Balance at end of year | <hr/> | <hr/> |
| | \$ 167,312 | 154,302 |

Notes to the Financial Statement For the Year Ended December 31, 1968

1. INVESTMENT IN SUBSIDIARY COMPANY

The company holds approximately 60% of all the issued and outstanding capital stock of Tavane Exploration Limited. The only activity of Tavane up to December 31, 1968 was to acquire certain mining claims in Carman Township on which the company had previously held an option. As at that date Tavane had not yet begun to develop the claims. Because of the inactivity, audited financial statements of Tavane as of December 31, 1968 have not been prepared and accordingly its accounts have not been consolidated with those of McWatters.

2. PROPERTY AND RELATED EXPENDITURES

Although the company has an 82½% interest in the mining claims, it is responsible for 100% of the exploration, development, maintenance and carrying costs on the property.

3. By agreement dated January 3, 1969 with Paramaque Mines Limited, the company undertook to diamond drill at least 5,000 feet or expend at least \$35,000 in drilling on ten mining claims in Eldorado Township, District of Temiskaming, Ontario. Upon so doing, the company shall automatically acquire an undivided 70% interest in the mining claims. All future exploration and development expenditures will be shared 70% by McWatters and 30% by Paramaque. If Paramaque shall decline to participate in any exploration and development program it shall forfeit its interest at the rate of 2% for every \$1,000 expended by McWatters alone pursuant to the program however its interest shall never be reduced below 15%.

4. No provision for income taxes is required by reason of the offset of exploration and development expenditures incurred and written off in previous years.

McWATTERS GOLD MINES, LIMITED

*Statement of Income and Retained Earnings
For the Year Ended December 31, 1968*

| | 1968 | 1967 |
|--|------------------|---------------|
| INCOME | | |
| Interest earned | \$ 47,784 | 52,712 |
| EXPENSES | | |
| Administrative expenses | | |
| Administrative fees | 12,000 | 12,000 |
| Directors' fees | 2,000 | 2,000 |
| Office and general | 1,459 | 5,292 |
| Professional fees | 3,811 | 4,151 |
| Registrar and transfer agent's fees | 2,264 | 1,334 |
| Reports to shareholders | 1,306 | 1,087 |
| General exploration expenses | 14,082 | 8,927 |
| Advance to affiliated company written off | 400 | — |
| | <hr/> 37,322 | <hr/> 34,791 |
| Profit on sale of investments | 10,462 | 17,921 |
| | <hr/> 6,168 | <hr/> — |
| NET INCOME (Note 4) | <hr/> 16,630 | <hr/> 17,921 |
| Retained earnings at beginning of year | <hr/> 141,907 | <hr/> 160,379 |
| | <hr/> 158,537 | <hr/> 178,300 |
| Cost of mining claims abandoned | — | 4,400 |
| Exploration and development expenditures on properties abandoned | — | 31,993 |
| | <hr/> — | <hr/> 36,393 |
| RETAINED EARNINGS AT END OF YEAR | <hr/> \$ 158,537 | <hr/> 141,907 |

McWATTERS GOLD MINES, LIMITED

Statement of Source and Application of Funds
For the Year Ended December 31, 1968

| | <u>1968</u> | <u>1967</u> |
|---|--------------------------|-----------------------|
| SOURCE OF FUNDS | | |
| Net income for the year | \$ 16,630 | 17,921 |
| Proceeds from sale of investments less profit on sale | 66,630 | — |
| Proceeds from sale of interest in Langmuir property | — | 20,000 |
| | <u>83,260</u> | <u>37,921</u> |
| APPLICATION OF FUNDS | | |
| Purchase of investments | 423,650 | 666,411 |
| Deferred exploration and development expenses less recovery | 13,010 | 9,945 |
| Advances to subsidiary company | 180 | 110 |
| | <u>436,840</u> | <u>676,466</u> |
| DECREASE IN WORKING CAPITAL | <u>353,580</u> | <u>638,545</u> |
| Working capital at beginning of year | 854,598 | 1,493,143 |
| WORKING CAPITAL AT END OF YEAR | <u><u>\$ 501,018</u></u> | <u><u>854,598</u></u> |

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McVittie-Graham Mining Company Limited

Semi-Annual Report

For the Six Months Ended

June 30, 1968

Report of the Directors

To the Shareholders
McVittie-Graham Mining Company Limited:

You will find enclosed financial statements of the Company for the six month period ending June 30th, 1968 with comparative figures for the same period ending June 30th, 1967.

During the six months under review your Company increased its holdings in Conwest Exploration Company Limited and now holds at this date the following:—

9,888 shares of Chance Mining and Exploration Company Limited
147,900 shares of Conwest Exploration Company Limited
320,441 shares of West Graham Mines Limited
5,000 shares of Central Patricia Gold Mines Limited

F. M. CONNELL,
President.

Toronto, Ontario,
August 26, 1968.

McVittie-Graham Mining Company Limited
(Incorporated under the laws of Ontario)

Balance Sheet—June 30, 1968

(With comparative figures at June 30, 1967)

ASSETS

| | 1968 | 1967 |
|--|-------------------|-------------------|
| Cash | \$ 2,186 | \$ 102 |
| Shares of mining companies at cost plus dividend receivable (Market Value 1968 — \$1,799,885, 1967 — \$901,103) | 987,096 | 314,768 |
| Advance to a mining company | 1,200 | 1,000 |
| | \$ 990,482 | \$ 315,870 |

LIABILITIES

| | 1968 | 1967 |
|---|-------------|-------------|
| Demand Loan | \$ 204,000 | |
| Accounts payable | 175 | \$ 175 |
| Reserve for remaining expenses of winding up McVittie-Graham Mines Limited | 713 | 713 |

Shareholders' equity:

| | | | |
|---|-------------------|-------------------|-------------------|
| Capital — | | | |
| Authorized — 500,000 shares of \$1 each | | | |
| Issued — 350,000 shares | \$ 350,005 | | \$ 350,005 |
| Less discount | 175,000 | | 175,000 |
| | \$ 175,005 | | \$ 175,005 |
| Earned surplus | 610,589 | 785,594 | 139,977 |
| | 610,589 | 785,594 | 314,982 |
| | \$ 990,482 | \$ 990,482 | \$ 315,870 |

McVittie-Graham Mining Company Limited

STATEMENT OF PROFIT AND LOSS AND EARNED SURPLUS
For the Six Months Ended June 30, 1968
(With comparative figures at June 30, 1967)

| | Expenditures for the six months ended June 30, 1968 | Expenditures for the six months ended June 30, 1967 |
|--|--|--|
| INCOME: | | |
| Dividends and interest | \$ 8,874 | \$ 1,272 |
| Profit on sale of securities | <u>5,429</u> | <u>47,796</u> |
| | <u>\$ 14,303</u> | <u>\$ 49,068</u> |
| EXPENSE: | | |
| Annual Meeting expense | \$ 560 | |
| Audit fee | 125 | \$ 125 |
| Capital and place of business tax | | 12 |
| Filing fee | 10 | 10 |
| Legal fee | 80 | |
| Office expense | 50 | 50 |
| Overdraft and Demand Loan interest | 20 | 693 |
| Miscellaneous | 3 | 5 |
| | <u>\$ 848</u> | <u>\$ 895</u> |
| Net profit for the period | <u>\$ 13,455</u> | <u>\$ 48,173</u> |
| Earned surplus beginning of period | <u>597,134</u> | <u>91,804</u> |
| Earned surplus end of period | <u>\$ 610,589</u> | <u>\$ 139,977</u> |

McVittie-Graham Mining Company Limited

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

For the Six Months Ended June 30, 1968

(With comparative figures at June 30, 1967)

| | 1968 | 1967 |
|---|-------------------------|-------------------------|
| Working capital (current assets less current liabilities) beginning of period | \$ 771,652 | \$ 266,522 |
| Sources of Funds: | | |
| Income from investments | 8,874 | 1,272 |
| Net gain on disposal of marketable stocks | 5,429 | 47,796 |
| | <hr/> <u>\$ 785,955</u> | <hr/> <u>\$ 315,590</u> |
| Application of Funds: | | |
| General and administrative expenditures | 848 | 895 |
| Working capital end of period | <hr/> <u>\$ 785,107</u> | <hr/> <u>\$ 314,695</u> |

AR23

File
MCWATTERS GOLD MINES, LIMITED

SUITE 509, 25 ADELAIDE STREET WEST
TORONTO 1, ONTARIO

TO THE SHAREHOLDERS:

Shown below for your information is the unaudited Statement of Source and Application of Funds and Statement of Income for the six months ended June 30, 1968 with comparative figures for the same period in 1967.

G. D. PATTISON,

August 14, 1968

President.

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
(unaudited)

| | Six months ended June 30, 1968 | June 30, 1967 |
|--|--------------------------------------|---------------------|
| Source | | |
| Net income for period | \$ 3,673 | \$ 14,469 |
| Application | | |
| Investment in other mining companies | 25,189 | 344,155 |
| Investment in other companies | <u>21,209</u> | |
| Advance to subsidiary company | 110 | 110 |
| Exploration advances | <u>3,557</u> | |
| Exploration costs on mining properties | | |
| Survey | 2,280 | |
| Linecutting | 660 | |
| Consulting | 1,374 | |
| Drilling | 3,119 | |
| Assays | 16 | |
| Supplies, transport, wages and general | 63 | 470 |
| Government fees | 126 | |
| | <u>63</u> | <u>8,045</u> |
| | <u>50,128</u> | <u>352,310</u> |
| Decrease in working capital | 46,455 | 337,841 |
| Working capital beginning of period | <u>854,598</u> | <u>1,493,143</u> |
| Working capital end of period | <u>\$ 808,143</u> | <u>\$ 1,155,302</u> |

STATEMENT OF INCOME
(unaudited)

| | Six months ended June 30, 1968 | June 30, 1967 |
|---|--------------------------------------|------------------|
| Income | | |
| Interest earned | <u>\$ 17,500</u> | <u>\$ 26,982</u> |
| Expenses | | |
| Administrative fee | 6,000 | 6,000 |
| Annual report | 1,013 | 1,177 |
| Audit and legal fees | 165 | 825 |
| Directors' fees | 1,000 | 1,000 |
| Government fees and taxes | 379 | 165 |
| Office and general | 545 | 99 |
| Registrar and transfer agent's fees and listing | 1,048 | 147 |
| General prospecting and exploration expenses | <u>3,677</u> | <u>3,100</u> |
| | <u>13,827</u> | <u>12,513</u> |
| Net income for period | <u>\$ 3,673</u> | <u>\$ 14,469</u> |


McWATTERS GOLD MINES, LIMITED

 34 Adelaide Street West
 Toronto 1, Ontario
TO THE SHAREHOLDERS:

Shown below for your information is the unaudited Statement of Source and Application of Funds and Statement of Income for the six months ended June 30, 1969 with comparative figures for the same period in 1968.

 G. D. PATTISON,
 President.

August 18, 1969.

STATEMENT OF SOURCE AND APPLICATION OF FUNDS
 (unaudited)

| | Six months ended June 30, 1969 | June 30, 1968 |
|--|--------------------------------------|-------------------|
| Source | | |
| Net income for period | \$ _____ | \$ 3,673 |
| Application | | |
| Exploration costs on mining properties | | |
| Government fees | 382 | |
| Supplies, transport, wages and general | 58 | 63 |
| | <u>440</u> | <u>63</u> |
| Net loss for period | 1,864 | |
| Investment in other mining companies | | 25,189 |
| Investment in other companies | | 21,209 |
| Advance to subsidiary company | 84 | 110 |
| Exploration advances | 14,188 | 3,557 |
| Option on mining property | 1,000 | |
| | <u>17,576</u> | <u>50,128</u> |
| Decrease in working capital | 17,576 | 46,455 |
| Working capital beginning of period | <u>501,018</u> | <u>854,598</u> |
| Working capital end of period | <u>\$ 483,442</u> | <u>\$ 808,143</u> |

STATEMENT OF INCOME
 (unaudited)

| | | |
|---|-------------------|-----------------|
| Income | | |
| Interest earned | <u>11,338</u> | <u>17,500</u> |
| Expenses | | |
| Administrative fee | 6,000 | 6,000 |
| Annual report and shareholders' information | 1,198 | 1,013 |
| Audit and legal fees | 735 | 165 |
| Directors' fees | 1,000 | 1,000 |
| Government fees and taxes | 220 | 379 |
| Office and general | 154 | 545 |
| Registrar and transfer agent's fees and listing | 795 | 1,048 |
| General prospecting and exploration expenses | 3,100 | 3,677 |
| | <u>13,202</u> | <u>13,827</u> |
| Net income (loss) for period | <u>\$ (1,864)</u> | <u>\$ 3,673</u> |

McWATTERS GOLD MINES, LIMITED

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual meeting of the shareholders of McWatters Gold Mines, Limited (the "Company") will be held in Suite 510, 25 Adelaide Street West, Toronto, Ontario, on Tuesday, the 24th day of June, 1969, at the hour of 9:30 o'clock in the forenoon (Toronto time) for the following purposes:

1. To receive and consider the financial statements of the Company for the year ended December 31, 1968, together with the report of the auditors thereon;
2. To elect directors;
3. To appoint auditors; and
4. To transact such further or other business as may properly come before the meeting or any adjournment thereof.

DATED the 6th day of June, 1969.

By Order of the Board,

R. D. BELL,
Secretary-Treasurer

NOTE:

Shareholders who are unable to be present personally at the meeting are requested to sign and return, in the envelope provided for that purpose, one of the accompanying forms of proxy for use at the meeting.

McWATTERS GOLD MINES, LIMITED

INFORMATION CIRCULAR

MANAGEMENT SOLICITATION

This information circular is furnished in connection with the solicitation of proxies by the Management of McWatters Gold Mines, Limited (the "Company") for use at the annual meeting of the shareholders of the Company to be held on Tuesday, June 24, 1969 at 9:30 o'clock in the forenoon (Toronto time) in Suite 510, 25 Adelaide Street West, Toronto, Ontario, for the purposes set out in the foregoing notice of meeting. The cost of solicitation will be borne by the Company.

The forms of proxy forwarded to shareholders with the notice of the meeting confer discretionary authority upon the proxy nominees with respect to amendments or variations of matters identified in the notice of meeting or other matters which may properly come before the meeting. Proxies given by shareholders for use at the meeting will be voted and may be revoked at any time prior to their use.

The Management knows of no matters to come before the meeting other than matters referred to in the foregoing notice of meeting. However, if any matters which are not now known to the Management should properly come before the meeting, the proxy will be voted on such matters in accordance with the best judgment of the proxy nominees.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

4,282,506 shares of no par value have been issued and are now outstanding as fully paid and non-assessable. Holders of outstanding shares of record at the time of the annual meeting will be entitled to one vote per share at such meeting.

To the knowledge of the directors and senior officers of the Company, International Mogul Mines Limited, beneficially owns more than 10% of the outstanding shares of the Company, owning 1,519,800 shares, being 35.5% of the outstanding shares.

ELECTION OF DIRECTORS

Each of the persons whose names appear hereunder is proposed to be elected as a director of the Company to serve until the next annual meeting of shareholders or until his successor is elected or appointed. It is intended that the shares represented by proxies solicited by Management will be voted in favour of the election of such persons as directors of the Company.

| Name and office held | Present principal occupation | Year first elected as a director | Shares of the Company beneficially owned directly or indirectly as of June 6, 1969 |
|--|--|----------------------------------|--|
| G. D. Pattison, President and Director | Vice-President — Administration, International Mogul Mines Limited. | 1958 | 1 |
| S. A. Perry, Vice-President and Director | Chairman of the Board International Mogul Mines Limited. | 1956 | 1 |
| R. D. Bell, Secretary-Treasurer and Director | Vice-President — Finance, Inter- national Mogul Mines Limited. | 1958 | 1 |
| W. W. Weber, Director | Vice-President — Exploration Inter- national Mogul Mines Limited. | 1958 | 1 |
| Roy Barker, Director | Prospector. | 1967 | 250,001 |

REMUNERATION OF MANAGEMENT AND OTHERS

During the financial year ended December 31, 1968, the aggregate direct remuneration paid or payable by the Company to the directors and senior officers of the Company was \$2,000.00.

APPOINTMENT OF AUDITORS

Management proposes to nominate Messrs. Riddell, Stead, Graham & Hutchison, the present auditors, as auditors of the Company, to hold office until the next annual meeting of shareholders. It is intended that the shares represented by proxies solicited by Management will be voted in favour of the appointment of Messrs. Riddell, Stead, Graham & Hutchison as auditors of the Company.

June 6, 1969.